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09/728,471	11/30/2000	Alan Young	CITI0207	3173

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EXAMINER

SHAAWAT, MUSSA A

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PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

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1 UNITED STATES PATENT AND TRADEMARK OFFICE

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4 BEFORE THE BOARD OF PATENT APPEALS
5 AND INTERFERENCES
6

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8 *Ex parte* ALAN YOUNG, PHILIP CHAPMAN, and ROBERT BERARDY
9

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11 Appeal 2009-004350
12 Application 09/728,471
13 Technology Center 3600
14

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16 Decided: August 26, 2009
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19 Before MURRIEL E. CRAWFORD, HUBERT C. LORIN, and
20 ANTON W. FETTING, *Administrative Patent Judges*.

21
22 FETTING, *Administrative Patent Judge*.

23
DECISION ON APPEAL

STATEMENT OF THE CASE

Alan Young, Philip Chapman, and Robert Berardy (Appellants) seek review under 35 U.S.C. § 134 (2002) of a final rejection of claims 1, 4-7, 9-10, 12, 14-16, 23, 25, 46, and 62-69, the only claims pending in the application on appeal.

We have jurisdiction over the appeal pursuant to 35 U.S.C. § 6(b) (2002).

SUMMARY OF DECISION¹

We AFFIRM.

THE INVENTION

The Appellants invented a method and system for performing a transaction using a communication device (Specification 1:21-24).

An understanding of the invention can be derived from a reading of exemplary claim 1, which is reproduced below [bracketed matter and some paragraphing added].

1. A method of operating a computer system for data management of an electronic transaction comprising:
[1] receiving in a transaction portal server via a wireless communication switching facility coupled to the transaction

¹ Our decision will make reference to the Appellants' Appeal Brief ("App. Br.," filed May 19, 2008) and the Examiner's Answer ("Ans.," mailed August 4, 2008), and Final Rejection ("Final Rej.," mailed November 16, 2007).

1 portal server over a global network a unique product and
2 merchant identifying code entered by a customer on a wireless
3 communication device coupled to the wireless communication
4 switching facility and identifying a product and a merchant
5 associated with the product and merchant identifying code by
6 the transaction portal server from a database of the transaction
7 portal server storing product and merchant identifying code data
8 for a plurality of merchants;

9 [2] retrieving product information data by the transaction
10 portal server from a product database of a merchant server
11 coupled to the transaction portal server over the global network
12 and displaying the product information data by the transaction
13 portal server on a display screen of the wireless communication
14 device for the customer;

15 [3] receiving by the transaction portal server the customer's
16 indication to purchase the product entered by the customer on
17 the wireless communication device and retrieving default
18 payment method information for the customer by the
19 transaction portal server from an electronic wallet server;

20 [4] displaying the default payment information by the
21 transaction portal server on the display screen of the wireless
22 communication device for the customer and receiving payment
23 option data comprising information describing a desired means
24 of payment for the product by the transaction portal server
25 entered by the customer on the wireless communications
26 device;

27 [5] transmitting payment authorization data to a payment
28 processor by the transaction portal server and receiving a
29 payment authorization by the transaction portal server from the
30 payment processor;

31 [6] transmitting order information to a check-out application
32 of the merchant server by the transaction portal server and
33 causing the electronic wallet server to complete payment and
34 shipping information fields in an order fulfillment database of
35 the merchant server by the transaction portal server; and

36 [7] receiving by the transaction portal server order
37 confirmation information from the merchant server and

1 displaying the order confirmation information by the
2 transaction portal server on the display screen of the wireless
3 communication device for the customer.
4

5 THE REJECTIONS

6 The Examiner relies upon the following prior art:

Daly et al.	US 5,878,141	Mar. 2, 1999
Arunachalam	US 2003/0069922 A2	Apr. 10, 2003
Wharton	US 2005/0027610 A1	Feb. 3, 2005

7
8 Claims 1, 4-7, 9-10, 12,14-16, 23, 25, 46, and 62-69 stand rejected under
9 35 U.S.C. § 103(a) as being unpatentable over Wharton, Arunachalam, and
10 Daly.
11

12 ARGUMENTS

13 *Claims 1, 4-7, 9-10, 12,14-16, 23, 25, 46, and 62-69 rejected under 35*
14 *U.S.C. § 103(a) as being unpatentable over Wharton, Arunachalam, and*
15 *Daly*

16 The Appellants argue these claims as a group.

17 Accordingly, we select claim 1 as representative of the group. 37 C.F.R.
18 § 41.37(c)(1)(vii) (2008).

19 The Examiner found that Wharton describes all of the limitations of
20 claim 1, except for limitations [6] and [7], the feature of “retrieving default
21 payment method information for the customer by the transaction portal

1 server from an electronic wallet server” (Ans. 9) of limitation [3], and the
2 feature of a “unique product and merchant identifying code entered by a
3 customer on a wireless communication device” ” (Ans. 9) of limitation [1].
4 The Examiner found that Arunachalam describes limitations [6] and [7]
5 (Ans. 6), Daly describes the deficient feature in limitation [3] (Ans. 7), and
6 the deficient feature of limitation [1] is obvious in light of Wharton (Ans. 8).
7 The Examiner found that a person with ordinary skill in the art would have
8 recognized the benefits of facilitating online transaction processing,
9 increased customer convenience, and increased product identification
10 accuracy by implementing these features (Ans. 6-8). The Examiner further
11 found that a person of ordinary skill in the art would have found it obvious
12 to combine Wharton, Arunachalam, and Daly in order to attain the benefits
13 discussed *supra* (Ans. 6-8).

14 The Appellants contend that: (1) the Examiner should be required to file
15 an Examiner’s Answer setting forth the new ground of rejection and the
16 Appellants should be afforded the option to reopen prosecution or file a
17 Reply Brief addressing the new ground of rejection instead of allowing the
18 Examiner to resubmit a final rejection with a new ground of rejection (Br.
19 11-13), (2) Wharton, Arunachalam, and Daly fail to describe limitation [6]
20 (App. Br. 13-15), (3) Wharton, Arunachalam, and Daly fail to describe
21 limitation [7] (App. Br. 13-15), (4) Wharton, Arunachalam, and Daly fail to
22 describe the feature of “retrieving default payment method information for
23 the customer by the transaction portal server from an electronic wallet
24 server” of limitation [3] (App. Br. 13-15), (5) Wharton, Arunachalam, and
25 Daly fail to describe the feature of a “unique product and merchant
26 identifying code entered by a customer on a wireless communication device”

1 of limitation [1] (App. Br. 14-16), and (6) there is no motivation to combine
2 Wharton, Arunachalam, and Daly (App. Br. 16-17).

3
4 ISSUES

5 The issue pertinent to this appeal is whether the Appellants have
6 sustained their burden of showing that the Examiner erred in rejecting claims
7 1, 4-7, 9-10, 12,14-16, 23, 25, 46, and 62-69 under 35 U.S.C. § 103(a) as
8 being unpatentable over Wharton, Arunachalam, and Daly. The pertinent
9 issue turns on whether Wharton, Arunachalam, and Daly describe all of the
10 limitations of claim 1 and whether there is a motivation to combine the cited
11 references.

12
13 FACTS PERTINENT TO THE ISSUES

14 The following enumerated Findings of Fact (FF) are believed to be
15 supported by a preponderance of the evidence.

16
17 *Facts Related to the Prior Art*

18 *Wharton*

19 01. Wharton is directed to “conducting electronic commerce in a
20 multiple-vendor environment, such as an electronic mall.”
21 (Wharton ¶ 0003).

22 02. Wharton describes a “global shopping basket.” (Wharton ¶
23 0030). The global shopping basket can be used to aggregate

1 transaction information from numerous vendors during a
2 customer's shopping session and allows for a single checkout for
3 the customer when purchasing items from multiple vendors
4 (Wharton ¶ 0030). The shopping cart contains items the customer
5 wishes to purchase and each item has an SKU number, product
6 identification, quantity, and price information associated to it
7 (Wharton ¶ 0033).

8 03. Each vendor builds and maintains their own e-commerce
9 system. It is interfaced with other vendors through a universal
10 transaction interface (Wharton ¶ 0034). Other systems, such as a
11 payment, accounting/billing, or shipping/receiving systems, can
12 be coupled to the universal interface, the central transaction
13 processor (Wharton ¶ 0035).

14 04. The customer first connects to the electronic mall, over an
15 electronic network, and selects a vendor or searches for a vendor
16 or product (Wharton ¶'s 0036 and 0037). The user selects items
17 for purchase and this information is stored in the vendor's system
18 (Wharton ¶ 0038). When a customer has completed shopping at a
19 vendor, a local checkout sends the purchase information to the
20 global shopping basket (Wharton ¶ 0039). The customer then
21 selects a global checkout option to complete the purchases of all
22 of the items in the basket (Wharton ¶ 0041).

23 05. The customer is then prompted for payment verification
24 information and the central processor verifies the transaction
25 (Wharton ¶ 0041). The central processor breaks down the global

1 shopping baskets into individual orders for items and then
2 aggregates the orders by vendor (Wharton ¶ 0043). Each vendor
3 can have specific payment verification rules and the central
4 processor obtains these rules prior to processing the orders
5 (Wharton ¶ 0044). Data stored for each merchant includes
6 merchant authentication information or merchant account number,
7 preferred payment processor information, order fulfillment
8 instructions, accounting/billing instructions and other information
9 (Wharton ¶ 0044). The central processor further obtains any
10 customer specific processing rules (Wharton ¶ 0045). Once all of
11 the processing rules are obtained, the system processes the
12 transaction (Wharton ¶ 0047).

13 *Arunachalam*

14 06. Arunachalam is directed to a system and method for controlling
15 a transaction involving multiple service providers (Arunachalam ¶
16 0004).

17 07. Arunachalam describes a service transaction to include the step
18 of a client selecting a product for purchase using a client access
19 device (Arunachalam ¶ 0097).

20 08. The server or hub verifies that the purchasing portion has been
21 completed and connects to a billing node for payment
22 (Arunachalam ¶ 0098). The billing node communicates with a
23 data source to perform the billing process (Arunachalam ¶ 0098).

24 09. Once the billing process is complete, the server or hub connects
25 to a shipping node (Arunachalam ¶ 0099). The shipping node

1 interacts with a data source to retrieve shipping information and
2 then completes the delivery portion of the service transaction
3 (Arunachalam ¶ 0099).

4 10. Upon completion of the purchasing, billing, and shipping
5 processes, the server or hub verifies that the transaction is
6 complete and provides a confirmation of the transaction to the
7 client access device (Arunachalam ¶ 0100).

8 *Daly*

9 11. Daly is directed to a system and method for facilitating
10 purchase transactions over an interactive network, such as a
11 television system (Daly 1:10-13).

12 12. During the purchase transaction, a subscriber is presented with
13 available payment methods (Daly 12:53-54). The subscriber can
14 choose the default payment method or select an alternative
15 payment method (Daly 12:55-57). Upon selection, the subscriber
16 informs the system of the payment method (Daly 12:57-60). As
17 such, the subscriber has control over his/her own wallet (Daly
18 12:60-62).

19
20
21 *Facts Related To The Level Of Skill In The Art*

22 13. Neither the Examiner nor the Appellants has addressed the level
23 of ordinary skill in the pertinent art of ecommerce sales
24 transactions. We will therefore consider the cited prior art as

1 representative of the level of ordinary skill in the art. *See Okajima*
2 *v. Bourdeau*, 261 F.3d 1350, 1355 (Fed. Cir. 2001) (“[T]he
3 absence of specific findings on the level of skill in the art does not
4 give rise to reversible error ‘where the prior art itself reflects an
5 appropriate level and a need for testimony is not shown’”) (quoting *Litton Indus. Prods., Inc. v. Solid State Sys. Corp.*, 755
6 F.2d 158, 163 (Fed. Cir. 1985).
7

8 *Facts Related To Secondary Considerations*

9 14. There is no evidence on record of secondary considerations of
10 non-obviousness for our consideration.

11 PRINCIPLES OF LAW

12 *Obviousness*

13 A claimed invention is unpatentable if the differences between it and
14 the prior art are “such that the subject matter as a whole would have been
15 obvious at the time the invention was made to a person having ordinary skill
16 in the art.” 35 U.S.C. § 103(a) (2000). *See KSR Int’l Co. v. Teleflex Inc.*,
17 550 U.S. 398, 406 (2007). *See also Graham v. John Deere Co.*, 383 U.S. 1,
18 13-14 (1966).

19 In *Graham*, the Court held that that the obviousness analysis is
20 bottomed on several basic factual inquiries: “[(1)] the scope and content of
21 the prior art are to be determined; [(2)] differences between the prior art and
22 the claims at issue are to be ascertained; and [(3)] the level of ordinary skill
23 in the pertinent art resolved.” 383 U.S. at 17. *See also KSR*, 550 U.S. at
24 406. “The combination of familiar elements according to known methods is

likely to be obvious when it does no more than yield predictable results.” *Id.*
at 416.

ANALYSIS

*Claims 1, 4-7, 9-10, 12, 14-16, 23, 25, 46, and 62-69 rejected under 35
U.S.C. § 103(a) as being unpatentable over Wharton, Arunachalam, and
Daly*

The Appellants first contend that (1) the examiner should be required to
file an Examiner’s Answer setting forth the new ground of rejection and the
Appellants should be afforded the option to reopen prosecution or file a
Reply Brief addressing the new ground of rejection (Br. 11-13). However,
this relates to a petitionable matter and not to an appealable matter. *See In re*
Schneider, 481 F.2d 1350, 1356-57, 179 USPQ 46, 51 (CCPA 1973) and *In*
re Mindick, 371 F.2d 892, 894, 152 USPQ 566, 568 (CCPA 1967). Thus,
the relief sought by the Appellants would have been properly presented by a
petition to the Commissioner under 37 C.F.R. § 1.181 instead of by appeal
to this Board. Accordingly, we need not reach this issue.

The Appellants next contend that (2) Wharton, Arunachalam, and Daly
fail to describe limitation [6] (App. Br. 13-15). We disagree with the
Appellants. Limitation [6] requires (1) transmitting order information to a
check-out application, at the merchant, by the transaction portal server and
(2) completing payment and shipping information data in an order
fulfillment database by the transaction portal server. Arunachalam describes
a hub or server that manages the completion of the purchasing, billing, and
shipping processes (FF 07-FF-10). The hub or server connects to each of the
nodes or systems to transmit relevant information for processing (FF 07-FF

10). The managing of these processes is the same functionality described in limitation [6], where the order information is transmitted by the hub to the purchasing, payment, and shipping systems and managed by the hub to verify the completion the transaction. As such, Arunachalam describes limitation [6]. Furthermore, Wharton describes a local check out, consisting of transmitting packets of order information, from a vendor's website to a central processor and the central processor coordinates billing/payment information for each of the items order from each of the vendors (FF 04 and FF 05). Wharton also describes that a shipping/receiving system can be coupled to the central processor (FF 03). As such, Wharton also describes the features of limitation [6].

Furthermore, the Examiner only relied on Arunachalam in the rejection of limitation [6] and as such the Appellants' contention that Wharton and Daly fail to describe limitation [6] does not persuade us of error on the part of the Examiner because the Appellants respond to the rejection by attacking the references separately, even though the rejection is based on the combined teachings of the references. Nonobviousness cannot be established by attacking the references individually when the rejection is predicated upon a combination of prior art disclosures. *See In re Merck & Co. Inc.*, 800 F.2d 1091(Fed. Cir. 1986).

The Appellants further contend that (3) Wharton, Arunachalam, and Daly fail to describe limitation [7] (App. Br. 13-15). We disagree with the Appellants. Limitation [7] requires receiving confirmation information from the server and displaying the confirmation on the wireless communication device. Arunachalam describes that the hub or server verifies that the purchasing, billing, and shipment processes have completed and transmits a

1 confirmation to the client access device that these processes have completed
2 (FF 10). That is, Arunachalam describes receiving of information verifying
3 the processes have completed and displaying confirmation on the client
4 access device. As such, Arunachalam describes limitation [7]. The
5 Appellants' contention that Wharton and Daly fail to describe limitation [7]
6 does not persuade us of error since the Examiner has only relied on
7 Arunachalam to describe this limitation and nonobviousness cannot be
8 established by attacking the references individually when the rejection is
9 predicated upon a combination of prior art disclosures. *Id.*

10 The Appellants additionally contend that (4) Wharton, Arunachalam,
11 and Daly fail to describe the feature of "retrieving default payment method
12 information for the customer by the transaction portal server from an
13 electronic wallet server" of limitation [3] (App. Br. 13-15). We disagree
14 with the Appellants. Daly describes that a customer can select to use a
15 default payment method saved for the user, thereby allowing the user control
16 over his/her wallet (FF 12). That is, the system presents the user with a
17 preselected default payment method and further presents the user with
18 preselected alternative payment methods stored in the user's electronic
19 wallet. As such, Daly describes this feature of limitation [3]. Furthermore,
20 the Appellants' contention that Wharton and Arunachalam fail to describe
21 this feature does not persuade us of error since the Examiner has only relied
22 on Daly to describe this limitation and nonobviousness cannot be established
23 by attacking the references individually when the rejection is predicated
24 upon a combination of prior art disclosures. *Id.*

25 The Appellants further contend that (5) Wharton, Arunachalam, and
26 Daly fail to describe the feature of a "unique product and merchant

1 identifying code entered by a customer on a wireless communication device”
2 of limitation [1] (App. Br. 14-16). We disagree with the Appellants.

3 Wharton describes that each product or item has an associated SKU
4 number and other product identification information (FF 02). Wharton also
5 describes that each merchant has associated merchant authentication
6 information or a merchant account number (FF 05). Wharton further
7 describes searching for a merchant or product (FF 04). A person with
8 ordinary skill in the art would have recognized to search for a product or
9 merchant using unique identification information, such as an account
10 number of SKU number. As such, Wharton suggests the feature “unique
11 product and merchant identifying code entered by a customer on a wireless
12 communication device” and a person with ordinary skill in the art would
13 have found it obvious to derive this feature in light of the features described
14 in Wharton. Furthermore, the Appellants’ contention that Arunachalam and
15 Daly fail to describe this feature does not persuade us of error since the
16 Examiner has only relied on Wharton to describe this limitation and
17 nonobviousness cannot be established by attacking the references
18 individually when the rejection is predicated upon a combination of prior art
19 disclosures. *Id.*

20 The Appellants further contend that (6) there is no motivation to
21 combine Wharton, Arunachalam, and Daly (App. Br. 16-17). We disagree
22 with the Appellants. Wharton is concerned with completing a sales
23 transaction in a multi-vendor environment (FF 01). Wharton accomplishes
24 this goal by providing a central global shopping basket for holding items
25 from multiple vendors (FF 02). Arunachalam is also concerned with the
26 completing transactions in a multiple service provider environment (FF 06).

1 Arunachalam accomplishes this by centrally managing the completion of the
2 purchasing, billing, and shipping processes (FF 10). Daly is also concerned
3 with completing transactions (FF 11) and Daly accomplishes this by
4 facilitating the payment sequence for a buyer (FF 12). A person with
5 ordinary skill in the art would have recognized to the benefits of facilitating
6 the completion of transactions by centrally managing processes and
7 facilitating a user's input into the purchase transaction by combining the
8 described features of Wharton, Arunachalam, and Daly. As such, Wharton,
9 Arunachalam, and Daly are concerned with the same problem and one of
10 ordinary skill in the art would have been lead to combine their teachings.

11 CONCLUSIONS OF LAW

12 The Appellants have not sustained their burden of showing that the
13 Examiner erred in rejecting claims 1, 4-7, 9-10, 12,14-16, 23, 25, 46, and 62-
14 69 under 35 U.S.C. § 103(a) as being unpatentable over Wharton,
15 Arunachalam, and Daly.

17 DECISION

18 To summarize, our decision is as follows.

- 19 • The rejection of claims 1, 4-7, 9-10, 12,14-16, 23, 25, 46, and 62-69
20 under 35 U.S.C. § 103(a) as being unpatentable over Wharton,
21 Arunachalam, and Daly is sustained.

22 No time period for taking any subsequent action in connection with this
23 appeal may be extended under 37 C.F.R. § 1.136(a)(1)(iv)(2008).

AFFIRMED

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